



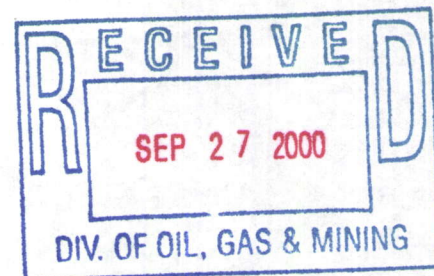
State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

David T. Terry
Director

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September 26, 2000

Mr. Joseph Levay
Chief Geologist
World Minerals, Inc.



RE: ML 41981-VM; Notice of Intent to Commence Mining
DOGM # S/027/089

Dear Mr. Levay,

The Trust Lands Administration consents to your proposal of September 13, 2000, to mine and remove 250 tons of perlite from the lands in ML 41981-VM, on the following conditions.

1. The total area of surface disturbance under the lease, including areas previously disturbed by exploration and mining activities conducted by Lessee, does not exceed one acre. If more than one acre of cumulative disturbance to the surface has occurred or will occur with the present mining proposal, you must immediately contact this office to post additional bonding.
2. Royalty must be paid on all leased substances mined and removed from the leased lands. The royalty rate is 5% gross value and should not be less than 35 cents per ton. Annual rental for the current lease year only may be credited against production royalty accruing to the lease in the current lease year.
3. At the conclusion of mining the 250 tons of perlite from the leased lands, Lessee must submit to the Trust Lands administration an updated mine map at a scale of not more than 50 feet to the inch. Such map must be prepared under the direction of an engineer or surveyor licensed by the State of Utah and must detail all surface disturbances by Lessee upon the leased lands.

Please keep me advised of your activity under the current mining proposal, and contact me if you have any questions in this matter.

Sincerely,

John T. Blake
Mineral Resources Specialist

cc: Tom Munson